

**Lauren Hood, MCD**  
Chairperson  
**Donovan Smith**  
Vice Chair/Secretary

**Marcell R. Todd, Jr.**  
Director

# City of Detroit

**CITY PLANNING COMMISSION**  
208 Coleman A. Young Municipal Center  
Detroit, Michigan 48226  
Phone: (313) 224-6225 Fax: (313) 224-4336  
e-mail: [cpc@detroitmi.gov](mailto:cpc@detroitmi.gov)

**Kenneth R. Daniels**  
**David Esparza, AIA, LEED**  
**Ritchie Harrison**  
**Gwen Lewis**  
**Melanie Markowicz**  
**Frederick E. Russell, Jr.**  
**Rachel M. Udabe**

**TO:** City Planning Commission

**FROM:** Kimani Jeffrey, Staff

**RE:** Request of Parkstone Development Partners on behalf of Develop Detroit, by amending Article XVII, Section 50-17-3, District Map No. 2 of the 2019 Detroit City Code, Chapter 50, Zoning, to re-establish the plans, terms and conditions of the PD (Planned Development) zoning classification where a PD zoning classification currently exists on land generally bounded by Gratiot Avenue, Russell Street, and Maple Street. Additionally, to show a PD zoning classification where the B4 (General Business District) and M3 (General Industrial District) zoning classifications currently exist on parcels commonly referred to as 1340 Gratiot Avenue and 1385 Maple Street. This portion of the request is being made to correct an error for two parcels that were inadvertently omitted in the legal description for the original request but were included in the plans.

This request is to re-establish a lapsed PD, established by Ordinance 2019-32, to allow for multiple mixed-use buildings that will host over 200 multiple-family dwelling units, retail, commercial and institutional space. The proposal also includes a parking structure and additional off-street parking spaces (**SAME DAY ACTION-RECOMMEND APPROVAL**).

**DATE:** June 27, 2023

On June 29, 2023, the City Planning Commission (CPC) will hold a 7:00 p.m. public hearing for a request to re-establish a lapsed PD and rezone additional properties.



## PROPOSAL

This request is from petitioner Parkstone Development Partners on behalf of Develop Detroit to re-establish a lapsed PD, established by Ordinance 2019-32, to allow for multiple mixed-use buildings that will host 207 multiple-family dwelling units, and 41,000 sq ft of retail, restaurant and office space. The proposal also includes a parking structure and additional off-street parking spaces. The subject parcel is approximately 2.8 acres and lies along the Gratiot corridor, one of the gateway radial thoroughfares into the downtown Central Business District.

The project now goes by the name, The Hive, but was originally referred to during the entitlement process as Eastern Market Gateway. There are four buildings within the scope of the project. The Russell building (57,786 sq ft), the Gratiot building (146,675 sq ft), the warehouse building (26,837 sq ft) and a parking structure (64, 635 sq ft).

This request is to re-establish the PD that was already approved through the public hearing process via CPC and City Council but has since lapsed. According to Sec. 50-3-98 of the Zoning Ordinance, a PD shall lapse three (3) years from the effective date of approval where the PD has not been completed or an extension granted by the CPC. Ordinance 2019-32 was approved and became effective in October 2019, thus requiring it to be re-established.

Additionally, the request is to show a PD zoning classification where the B4 (General Business District) and M3 (General Industrial District) zoning classifications currently exist on parcels commonly referred to as 1340 Gratiot Avenue and 1385 Maple Street. This portion of the request is being made to correct an error for two parcels that were inadvertently omitted in the codified legal description for the original request. At the time of the original rezoning, there were factors such as lot combinations and other moving parts that inadvertently caused the aforementioned properties to be omitted from the legal description, even though they were represented in the plans during public hearings and all meetings on the matter. This allows a chance for this matter to be reconciled.

Lastly, staff views this proposal as being consistent with the approved plans that have come before the City Planning Commission and City Council in the original entitlement process. The components of the project remain the same. However, it should be noted that after the original 2018 approval, the developer did subsequently return to the CPC for a minor modification, generally reducing the original scale of the project to result in what is outlined above.

A full presentation of the scope of the project as currently proposed will be shared during the public hearing. Information on current projected timeline and other factors will also be shared.



## **BACKGROUND (Original 2018 proposal and information below)**

Develop Detroit requests the CPC to consider approving its multi-structure infill project known as Eastern Market Gateway on a site that sits along the Gratiot corridor. The site is a 2.8 acre swath of land that lies between Eastern Market and Lafayette Park bounded by Gratiot Avenue, Russell Street, and Maple Street.

To summarize the project, the total project estimated cost is \$65 million and its plan includes 41,000 sq ft of retail and commercial uses such as galleries, shops, restaurants, 253 residential units which are expected to create an anchor development on this major radial thoroughfare. The plan also includes a parking structure and additional off-street surface parking. The project includes structures currently known as the Russell Building (6 stories, 65'), the Gratiot Building (5 stories, 65') and the Warehouse (2 stories, 35').

Two of the buildings would function as multi-family apartment buildings with approximately 87 units ranging from 435-438 sq ft each, 124 one-bedroom units ranging from 649-739 sq ft, 31 two-bedroom units ranging 880-1,463 sq ft each, five three-bedroom units at 1,257 sq ft each and six live/work units at 1,176 sq ft each.

Of these, 20% of the total number of units will be at or lower than 60% of the area median income (AMI) rent, and 23% at or below 80% AMI, leaving 57% of the units at market rate rents. This would amount to 51 units being low-income units and 58 being moderate-income units. The proposed parking plan consists of 294 parking spaces with approximately 238 of those spaces being contained within the planned parking structure and 56 of those being spread across the site as surface parking spaces.

## **PREVIOUS PUBLIC HEARING & COMMUNITY INPUT**

### **Public hearing**

During the public hearing for this matter held on Aug 2, 2018, one person from the community spoke. That person was Mr. Grosinger of Kap's Wholesale Foods, who desired to have his statement placed on record regarding operation hours, traffic, noise etc., as it relates to how the new development meshes with existing entities. His sentiment was that the new residents should recognize the existing context and know the nature of the community, so that they do not later complain about his establishment.

Commissioners had many comments and questions for the development team that covered a spectrum of issues. Many of those questions or concerns were answered during the meeting. However, there were some items that could not be addressed during the public hearing and were to be answered subsequently. Staff worked with the developer to receive answers to those questions and concerns.

### **Community meetings**

The development team hosted a series of outreach events in order to engage the surrounding community on the proposal. The group contacted known entities in the community such as the Eastern Market Corporation, Detroit People's Platform, the 7<sup>th</sup> Precinct Police Community Relations Board, Holy Trinity Church and other businesses as well as individuals.

The following community meetings were held as follows (does not include other types of efforts):

**Eastern Market** - October 3, 2017

**Eastern Market** - February 14, 2018

**1300 Lafayette Community Room** - July 25, 2018

### ***Support letters***

A number of support letters for the project were submitted to CPC at the time of the public hearing.

## **PLANNING CONSIDERATIONS**

### ***Surrounding Zoning and Land Use***

The zoning classification and land uses surrounding the subject area are as follows

**North:** B4; Discount Candles

**East:** B4; St. John Luke United Church

**South:** M3; DFL Logistics

**West:** B4; Behavioral Health Professionals Inc., Trinity Lutheran Church, Aetna

### ***Master Plan Consistency***

The subject site is located within the Lower East Central area of Neighborhood Cluster 4 of the Detroit Master Plan of Policies (MP). The Future Land Use map for this area shows (MRI-Mixed Residential Industrial) for the subject property. According to the MP these areas offer live-work opportunities for artists and trades-people to create a lively mixture of new residential commercial, light industrial and/or entertainment opportunities. The Planning and Development Department (P&DD) provided a letter stating that the proposal is generally in conformance with the City's Master Plan.

## **CONCLUSION**

Consistent with the original approval codified by ordinance 2019-32, the CPC staff recommends that this PD re-establishment and rezoning of parcels that were omitted in original approvals be approved. This will allow the developer to once again apply for financing in an effort to bring the project to fruition. This developer is responsible for multiple recent notable projects in Detroit and has a good track record for providing affordable housing. Approving this request will allow them to proceed for a projected completion of this project that can be a positive catalyst for development on the Gratiot corridor.

Attachment: Proposed Plans  
Ordinance 2019-32

cc: Antoine Bryant, Director, PDD  
Greg Moots, PDD  
Julie Schneider, Director, HRD  
David Bell, Director, BSEED  
Conrad Mallett, Corporation Counsel  
Bruce Goldman, Law  
Daniel Arking, Law